

Bill Gates Promised to Give Away His Wealth. Well, That Was BS

The so-called Giving Pledge made it seem like billionaires were philanthropists rather than fatcats.

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Bill Gates. Getty Images

A decade ago, [Bill Gates](#) and [Warren Buffett](#) launched [the Giving Pledge](#), which they explain as "a commitment by the world's wealthiest individuals and families to dedicate the majority of their wealth to giving back."

According to the official website, some 210 [billionaires](#) and mega-millionaires have made the so-called pledge. Unfortunately, many of those billionaires are giving to fake charities that enrich themselves and all of them have helped structure the economy so that they accumulate wealth faster than they can possible give it away.

Bill Gates is a case in point. When he made the pledge in 2010, [his net worth was \\$53 billion](#). Ten years later, [his net worth is \\$115 billion](#). Bill Gates is 64 years old, so at this rate, he'll be worth \$250 billion or more by the time he's supposed to have given away at least half his wealth.

Same thing with Warren Buffett, only much worse. In 2010, [his net worth was \\$39 billion](#); today, [his net worth is \\$82 billion](#). Buffett is 90 years old, so if he's planning on giving away at least half his wealth, he'd damn better well get crackin'!

There are three reasons the so-called Giving Pledge hasn't panned out.

1. Many billionaires give only to fake charities.

According to the decades-old think tank [the Institute for Policy Studies](#):

A growing share of these high-end donations go not to the organizations that actually perform charitable work, but to tax-privileged private foundations and donor-advised funds that pay only a small percentage of their assets to support working charities. These vehicles offer substantial tax benefits to donors, but may then hoard most or all of these donations in their endowments, drastically limiting what's available to on-the-ground nonprofits.

In other words, many of the Giving Pledge billionaires are just giving back to themselves.

And even those who do give to real charities, like Bill Gates, tend to dole it out in dribs and drabs and then insist upon controlling how it's spent. They thus become the bottleneck to distributing their money, thereby allowing their wealth to grow at a faster rate than their giving.

2. Billionaires have totally rigged the system.

Fake charities are just the proverbial iceberg's tip. They are just one of many tax dodges that protect the ultra-wealthy from paying their fair share of taxes. Donald Trump's \$750 federal tax payment is far from unusual. Even without offshore accounts and other illegal tax dodges, most billionaires pay next to nothing in taxes.

Just to be clear, billionaires not paying their fair share (while enjoying all the benefits of civilization) means that you and I must make up the slack with our own taxes. It also means that you and I are on the hook to pay off the deficit, which was already huge and has exploded as a result of the coronavirus.

In other words, the Giving Pledge is a huge redistribution of wealth from middle class to the 0.1 percent.

3. The Giving Pledge thwarts real financial reform.

The so-called Giving Pledge has been a huge public relations victory because it's allowed billionaires to position themselves as superheroes. But here's the thing: Insofar as they're

superheroes, billionaires are more like Homelander than Iron Man. As anyone knows who's hung with them, the ultra-wealthy are [notoriously cheap, rude, and immoral.](#)

By improving the public image of the billionaire class, the Giving Pledge has made it more difficult for governments (especially the U.S. government) to even so much consider financial reforms that would allow workers and small businesspeople a fair share of the huge productivity gains of the past three decades.

In other words, folks, as far as the Giving Pledge is concerned, we've basically been played.